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## **DOCKET NO. 47477**

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APPLICATION OF UNDINE TEXAS, LLC AND CONSUMERS WATER, INC. FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN HARRIS AND MONTGOMERY COUNTIES

## PUBLIC CHEITY COMMISSION

## ORDER NO. 7 GRANTING REQUEST FOR EXTENSION OF TIME TO COMPLETE SALE TRANSACTION

This Order addresses Undine Texas, LLC's (Undine) motion for extension of time to complete the sale transaction with Consumers Water Inc. (Consumers). The Commission issued Order No. 6 in this docket on December 4, 2017, approving the sale and transfer transaction to proceed. Under 16 Texas Administrative Code § 24.109(o), the Commission's time period for approval of a transaction expires 180 days following the date of the Commission order allowing the transaction to proceed. Under this rule, if the parties do not complete the sale within this period, authorization for the transaction to proceed is void. The time period to complete the transaction expires on June 2. 2018. However, the rule does allow the Commission to extend the time period for good cause shown.

Undine notes that it has been working towards closing on transactions involving, Consumers, Community Utility Company, and Suburban Utility Company (Suburban), utilities under common ownership. In doing so, Undine has encountered issues concerning taxes and titles with all three utilities that require more time to resolve and complete the transaction.

Undine stated that they have been serving as temporary manager of Suburban since September 2017. Undine's temporary management was due to expire on March 21, 2018, however, Undine requested an additional 45-day extension to its role to avoid any gap in its management and ultimate ownership of the Suburban facilities. The Commission issued an emergency order extending Undine's term as temporary manager of Suburban until May 5, 2018.<sup>1</sup>

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<sup>1</sup> Commission Staff's Application for an Emergency Order Appointing a Temporary Manager to Suburban Utility Company Under Texas Water Code § 13.4132, Docket No. 47638, Emergency Order Extending the Term of the Commission Order Appointing a Temporary Manager to Suburban Utility Company (Mar. 21, 2018).

On April 13, 2018, the Commission issued an Order Affirming Emergency Order in Docket No. 47638<sup>2</sup> extending Undine's appointment as Suburban's temporary manager until September 23, 2018.

Because the Commission extended Undine's temporary management until September 23, 2018 and the need for more time to resolve unexpected issues, Undine requests that the Commission also extend the time period to complete the transaction with Consumers until September 23, 2018.

Undine has shown good cause to extend time. The Commission grants the request and extends the time for Undine and Consumers to complete the sale transaction until September 23, 2018. If the parties do not complete the transaction within this period, approval of the transaction is void.

Within 30 days following the date the parties file proof that they completed the transaction and addressed customer deposits (if any), Commission Staff shall file a recommendation on the adequacy of the documents.

Signed at Austin, Texas the \_\_\_\_\_\_ day of May 2018.

PUBLIC UTILITY COMMISSION OF TEXAS

IRENE MONTELONGO U DIRECTOR, DOCKET MANAGEMENT

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<sup>&</sup>lt;sup>2</sup> Docket No. 47638, Order Affirming Emergency Order (Apr. 13, 2018).